

DEPARTMENT OF HEALTH

NOTICE OF FINAL RULEMAKING

The Director of the Department of Health, pursuant to section 409 of the District of Columbia Health Occupations Revision Act of 1985, effective March 25, 1986 (D.C. Law 6-99; D.C. Official Code § 3-1204.09), and Mayor's Order 98-140, dated August 20, 1998, hereby gives notice of the adoption of the following amendments to Chapter 35 of Title 17 (Business, Occupations & Professions) (May 1990). The purpose of the amendments is to establish the licensure fees for the newly created profession of marriage and family therapist. Notice of Proposed Rulemaking was published in the D.C. Register on May 13, 2005 at 52 DCR 4608. No comments were received concerning these rules and no changes have been made since publication as a Notice of Proposed Rulemaking. These final rules will be effective upon publication of this notice in the D.C. Register.

CHAPTER 35 OF TITLE 17, DCMR, IS AMENDED AS FOLLOWS:

Section 3500.1 is amended to add the following schedule of fees for Marriage and Family Therapists:

MARRIAGE AND FAMILY THERAPISTS:

Application Fee	\$65.00
License Fee	\$136.00
Paid Inactive Status	\$136.00
Renewal Fee	\$136.00
Late Renewal Fee	\$65.00
Document Duplication Fee	\$26.00
Verification of Records	\$26.00
Reinstatement Fee	\$201.00

DEPARTMENT OF HEALTH

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The Director of the Department of Health, pursuant to the authority set forth under § 302 (14) of the District of Columbia Health Occupations Revision Act of 1985 ("Act"), effective March 15, 1986 (D.C. Law 6-99; D.C. Official Code § 3-1203.02(14)), dated August 20, 1998, hereby gives notice of the adoption of the following amendments to Chapter 40 of Title 17 (Business, Occupations & Professions) (May 1990) of the District of Columbia Municipal Regulations (DCMR). The purpose of the amendment is to accommodate licensees who have been called to active duty and are deployed to a war zone and are unable to renew their license or complete continuing education hours in the required period of time. Notice of Proposed Rulemaking was published in the D.C. Register on May 13, 2005 at 52 DCR 4609. No comments were received concerning these rules and no changes have been made since publication as a Notice of Proposed Rulemaking. These final rules will become effective upon publication of this notice in the D.C. Register.

CHAPTER 40 OF TITLE 17, DCMR, IS AMENDED AS FOLLOWS:

A new § 4015 is added to read as follows:

4015 SPECIAL RENEWAL AND CONTINUING EDUCATION HOURS PROVISIONS FOR ACTIVELY DEPLOYED LICENSEES

- 4015.1 If the license of a health professional lapses while serving in the military whenever the United States is engaged in active military operations against any foreign power or hostile force, the license may be reinstated or renewed without payment of the reinstatement or late renewal fee under the following conditions:
- (a) The license was active at the time of deployment;
 - (b) The application for reinstatement or renewal is made while still in the armed services or no later than six (6) months after discharge from active service or return to inactive military status;
 - (c) A copy of the military activation orders or other proof of active military service accompanies the application; and
 - (d) The renewal fee is paid.
- 4015.2 If the required continuing education contact hours were not earned for renewal during the earning period, the licensee shall be required to complete the required continuing education hours needed for renewal no later than six (6) months after discharge from active service, return to

inactive military status, or return to the United States from an active war zone.

4015.3 The continuing education contact hours used for renewal shall not be used for the next licensing renewal.

4015.4 The continuing education contact hours for the next license renewal shall not be prorated.

DEPARTMENT OF HEALTH

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The Director of the Department of Health, pursuant to the authority set forth under § 302(14) of the D.C. Health Occupations Revision Act of 1985, effective March 15, 1986 (D.C. Law 6-99; D.C. Official Code § 3-1203.02(14)), and Mayor's Order 98-140, dated August 20, 1998, hereby gives notice of the adoption of the following amendments to Chapter 66 of Title 17 (Business, Occupations & Professions) (May 1990). The purpose of the amendments is to clarify the requirements for officially converting course hours from quarter and trimester hours into semester hours based on the methods used by the educational institutions and requiring applicants to submit details of courses that differ from the courses the Board currently accepts. A Notice of Proposed Rulemaking was previously published in the D.C. Register at 52 DCR 4611. No comments were received concerning these rules and no changes have been made since publication as a Notice of Proposed Rulemaking. These final rules will be effective upon publication of this notice in the D.C. Register.

Chapter 66 (Professional Counseling) of Title 17 DCMR (Business, Occupations & Professions) (May 1990) is amended as follows:

Section 6602.1 is amended as follows:

- 6602.1 Except as otherwise provided in this chapter, an applicant for licensure shall furnish proof satisfactory to the Board, in accordance with § 710 of the Act, D.C. Official Code § 3-1207.10, of the following:
- (a) That the applicant has received a master's degree or higher from an institution of higher education which was accredited, at the time the degree was conferred, by an accrediting body recognized by the Secretary of the United States Department of Education, the Council on Postsecondary Accreditation or its successor;
 - (b) That the applicant has completed a minimum of sixty (60) semester hours or the equivalent number of quarter or trimester hours converted into semester hours in counseling or related subjects after earning a bachelor's degree; and
 - (c) That the applicant shall have obtained satisfactory documentation of the required number of semester hours as converted from quarter hours or trimester hours into semester hours from the educational institution based on the institutions formula for conversion of quarter hours and trimester hours into semester hours.

A new section 6602.4 is added to read as follows:

6602.4 The applicant shall provide the Board with course descriptions detailing the subject matter of courses named on the applicant's certified transcript that differ from those courses outlined in § 6602.2.

DISTRICT OF COLUMBIA HOUSING AUTHORITY
NOTICE OF FINAL RULEMAKING

The Board of Commissioners of the District of Columbia Housing Authority ("DCHA") hereby gives notice of final rulemaking action amending Title 14 by adopting an Amended and Restated "Chapter 92: Housing Choice Voucher/Home Ownership Assistance Program (HCV/HOAP)". Final action to adopt these rules was taken at the Board of Commissioners regular meeting on June 8, 2005. Notice of Proposed Rulemaking was published on April 22, 2005 (52 DCR 4034). Minor, but not substantial, changes were made to the text of the proposed rules as published under the notice of proposed rulemaking. These final rules will be effective upon publication of this notice and the text of the regulations as adopted in the D.C. Register.

**CHAPTER 92 HOUSING CHOICE VOUCHER/HOME OWNERSHIP ASSISTANCE
PROGRAM (HCV/HOAP)**

9200 GENERAL PROGRAM DESCRIPTION

The Housing Choice Voucher/Home Ownership Assistance Program (HCV/HOAP) is designed to offer eligible households who are participating in the Housing Choice Voucher Program the opportunity of becoming a home owner. The HOAP provides for DCHA to make a Housing Choice Voucher Payment on behalf of a Participating Family to a Participating Mortgage Lender who has provided a mortgage loan to the Participating Family for the purchase of a home. The program requirements, conditions of HOAP assistance, as well as, other pertinent terms and program elements are all set forth in the Sections herein.

9201 PURPOSES

9201.1 The purposes of the HCV/HOAP are to:

- (a) Provide safe, adequate and affordable housing;
- (b) De-concentrate areas of geographic poverty;
- (c) Encourage upward mobility;
- (d) Foster economic self sufficiency; and
- (e) Increase home ownership, while minimizing mortgage default risk.

9202 DEFINITIONS

- 9202.1 "Cooperative" - A cooperative is defined as housing owned by a nonprofit corporation or association and where a member of the corporation or association has the right to reside in a particular apartment and to participate in the management of the housing.
- 9202.2 "Cooperative Member" - A Cooperative member is defined as a family in which one or more members own membership shares in a cooperative.
- 9202.3 "DCHA" means District of Columbia Housing Authority or any successor agency, thereto.
- 9202.4 "Disabled Family" - means a household whose head, spouse, or sole member is a person with a disability. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.
- 9202.5 "Elderly Person" - One who is at least 62 years of age.
- 9202.6 "Eligible Family" - an Eligible Family is a household of one or more persons that meets the minimum eligibility requirements set forth in Section 9203.
- 9202.7 "Elderly Family" - A household whose head or spouse or whose sole member is at least 62 years of age or a disabled person as defined in this Section. A Family may include two or more elderly or disabled persons living together or one or more such persons living with another person who is determined to be essential to his or her care and well being.
- 9202.8 "Family Self-Sufficiency Program" - Family Self-Sufficiency program or FSS program means the program established by a PHA within its jurisdiction to promote self-sufficiency among participating families, including the provision of supportive services to these families, as authorized by Section 23 of the 1937 Act.
- 9202.9 "Full-time Basis" means at least 30 hours per week.
- 9202.10 "HCV/HOAP" means the Housing Choice Voucher/Home Ownership Assistance Program operated by the District of Columbia Housing Authority. Within this document "HCV/HOAP" and "HOAP" are used interchangeably.
- 9202.11 "HOAP Subsidy" or "HCV/HOAP Assistance" means the home ownership subsidy assistance for payment to a mortgage lender on behalf of a Participating Family as provided through the Housing Choice Voucher program in the amount as determined under Subsection 9212.2.
- 9202.12 "HOAP Applicant Family" - An Eligible Family that has been issued a Certificate of

Completion and is in the process of obtaining a Preliminary Certificate of Assistance; Mortgage Pre-approval; Home Search Authorization; Final Certificate of Assistance.

- 9202.13 "HOAP Participating Family" - A HOAP Applicant Family who has completed all the steps necessary to the purchase of a home and closed on their mortgage loan.
- 9202.14 "Housing Choice Voucher Program" or HCVP or HCV program means the rental assistance program established by Section 8 of the 1937 Housing Act in its entirety, unless otherwise specified.
- 9202.15 "Income Eligible Family" - A Family that meets the eligibility requirements set forth in Subsection 9203.2(c).
- 9202.16 "Lease-Purchase Agreement" - A lease-purchase agreement is a lease agreement with an option to purchase a property entered into between a property owner and a tenant with the objective of the tenant having a right to exercise the right to purchase the leased property within a specified period time.
- 9202.17 "Membership Share" - Membership share is defined as ownership of a share of a cooperative that gives the shareowner the right to reside in a particular unit in the cooperative and the right to participate in management of the housing.
- 9202.18 "Participating Lender" - A lender who has agreed to participate in the HCV/HOAP and provide loans to borrowers under the terms and conditions of this program. Additionally, participating lenders agree to make loans to Participating HOAP Families which comply with the regulations herein, and are characterized by reasonable interest rates and repayment terms.
- 9202.19 "Payment Standard" - The maximum monthly assistance payment for a Family as determined in accordance with Chapter 83 of this Title 14.
- 9202.20 "Total Tenant Payment" - The amount toward a mortgage payable by a tenant which shall be determined in accordance with Chapter 83 of this Title 14.

9203 ELIGIBILITY REQUIREMENTS

- 9203.1 As a threshold determination for participation in the HCV/HOAP, a Family either shall already be a participant under lease in the Housing Choice Voucher Program or be eligible for home ownership under any other DCHA program
- 9203.2 A Family that meets the threshold determination shall then meet the following eligibility requirements:
- (a) First Time Homeowner. The Family may not include any person who has held an ownership interest in a residence during the three (3) years prior to

commencement of the HOAP Subsidy, except as follows:

- (1) Equitable interest in a property under the terms of a lease-purchase agreement prior to exercise of the purchase option.
 - (2) An individual who is now single, but had previously owned a home with his or her former spouse even within the three year period;
 - (3) A household in which a family member is a person with a disability, if homeownership assistance is needed as a reasonable accommodation; and
 - (4) A family that owns or is acquiring shares in a cooperative.
- (b) Employment. Except as provided in 9203.4 and 9203.5, the household shall provide proof of employment such that:
- (1) One or more of the adult household members who shall be a borrower or co-borrower at the commencement of receiving HOAP assistance, is currently employed on a Full-time Basis; and
 - (2) At least one borrower shall have been employed for at least two (2) continuous years preceding the beginning of HOAP Subsidy.
- (c) Minimum Income.
- (1) The household shall demonstrate that gross annual income of the borrower or co-borrowers is either:
 - (i) Equal to at least 2,000 full-time work hours at the Federal Minimum Wage (FMW); or
 - (ii) For Disabled Families, equal to the monthly federal Supplemental Security Income Program benefit for an individual living alone multiplied by 12.
 - (2) Except in the case of Elderly or Disabled Families, income shall come from a source other than the governmental assistance program Tenant Assistance for Needy Families.
- (d) Family Self Sufficiency. Applicants for the HCV/HOAP shall be enrolled in a self sufficiency program recognized by DCHA, unless the applicant an Elderly or Disabled Family..
- (e) Good Standing. The household shall be in Good Standing as follows:

- (1) The household shall have disclosed all prior debts to DCHA or any other public housing agency and have repaid all such debt at least a year prior to the household applying to participate in the HCV/HOAP program.
 - (2) The household shall not have committed fraud in connection with the HCV program or any other federally funded program.
 - (3) The household shall not have defaulted, or be in default, on any mortgage securing debt to purchase a home under any prior HCV/HOAP participation.
- (f) Current Lease. The household shall be current in all monetary lease obligations and shall not otherwise be in violation of their lease and shall give proper notice as provided under their lease or, in the absence of a specified notice period in the lease, in accordance with District of Columbia law, prior to commencement of HCV/HOAP assistance payments.
- (g) Recertification. If the household is a current participant in the HCV program or other DCHA program they shall qualify through an updated annual income recertification and determination that the household is otherwise in compliance with all program requirements.

9203.3 If a household purchases or takes title to a home before receiving approval to participate in the HCV/HOAP, the household shall be determined ineligible.

9203.4 The employment requirement does not apply to an Elderly or Disabled Family.

9203.5 If a household that does not otherwise qualify as a Disabled Family pursuant to Subsection 9202.4, includes a person with a disability, the HCV/HOAP shall grant an exemption from the employment requirement, if it is determined that the exemption is needed as a reasonable accommodation.

9203.6 Elderly and Disabled Families are exempt from the maximum assistance terms applicable for receiving subsidy from the HCV/HOAP, as follows:

- (a) In the case of an Elderly Family, this exemption is only applicable if the household qualifies as elderly at the commencement of assistance.
- (b) In the case of a Disabled Family, this exemption applies if at any time during receipt of housing assistance the household qualifies as a Disabled Family.
- (c) If during the course of the receipt of HOAP Subsidy the household ceases to qualify as a Disabled or Elderly Family, the maximum term of the Subsidy becomes applicable from the date the housing assistance commenced, provided that the Participating Family, that was formerly qualified as a

Disabled or Elderly Family shall receive the greater of the following;

- (1) At least six (6) months of assistance after the maximum term becomes applicable; or
- (2) The remaining term of assistance.

9204 PARTICIPANT SELECTION PROCESS

9204.1 The HCV/HOAP program may select participants for the homeownership program in one of the following two ways:

- (a) Designation of a pool of interested current HCV participants, which may be determined by phone, in-person, or paper application, who shall be selected by a lottery or assignment of a random number for a predetermined number of program participants, or
- (b) Designation of all HOAP applicants that meet the threshold and eligibility criteria and selection from such group on the following basis:
 - (1) HCVP Families participating in the Family Self-Sufficiency Program with homeownership as a stated goal;
 - (2) HCVP Families or public housing residents participating in the Community Self Sufficiency Program (or a similar program with homeownership being a stated goal of their program participation), in connection with public housing development or redevelopment efforts of DCHA, its subsidiaries, or its joint venture partners.
 - (3) Participating HCVP Families who otherwise do not qualify under (1) or (2) above and are income eligible and are pre-approved for credit by a lender,
 - (4) Families who wish to exercise their "right of first refusal" to purchase a unit that they currently occupy with a housing subsidy under a housing assistance payment contract .

9204.2 Those individuals or families selected for participation, who meet the eligibility requirements stated under Section 9203, above, shall proceed to homeownership by those steps identified beginning in Section 9205 through Section 9212.

9205 PROGRAM PARTICIPATION REQUIREMENTS

9205.1 HCV/HOAP Briefing. As a first step in the participation process, each selected family is required to attend a briefing about the HCV/HOAP.

- 9205.2 Participation Eligibility Assessment. Before proceeding to the next steps:
- (a) DCHA shall verify that the Family meets the minimum participation requirements of Section 9203; and
 - (b) DCHA or its designee shall make a preliminary assessment of the household's credit history and assess what intermediate steps, if any, shall be taken by the household to repair their credit in order to enter the home buying process.
- 9205.3 Home Ownership Counseling. The household shall satisfactorily complete a minimum of eight (8) hours of home ownership and housing counseling training, before the household can proceed to the home buying process. This training for homebuyers shall be provided by the HCV/HOAP or its designee and cover the following topics:
- (a) Credit Counseling, including credit repair;
 - (b) The Home Purchase Process, including the selecting of a real estate agent and home inspection professional;
 - (c) Homeownership Financing, including selection among the program's Participating Lenders;
 - (d) Mortgage delinquency/default prevention;
 - (e) Consumer (Homebuyer) Protection;
 - (f) Home Maintenance and Repair; and
 - (g) Choosing a good location.
- 9205.4 Certificate of Completion.
- (a) Before proceeding to the next step of the process, the household's credit shall be sufficiently acceptable to pass credit report review by the Counseling Agency.
 - (b) If the household has issues that would impede the lender giving loan approval, the counseling agency shall provide credit repair counseling or refer the household to another agency who shall provide such counseling and the steps the household shall take before receiving a Certificate of Completion and permission to proceed with the home purchasing process.
 - (c) A Certificate of Completion shall be issued upon:

- (1) Successful completion of the home ownership and housing counseling sessions;
- (2) Verification by the agency that the Applicant Family has an acceptable credit report; and
- (3) Verification that the Applicant Family has sufficient assets to make a least a 1% down payment investment from personal resources.

9205.5 Initial Certificate of Assistance. The Initial Certificate of Assistance shall identify the Payment Standard applicable to the Family based on the household size and composition in accordance with Chapter 83 of this Title.

9205.6 Mortgage Pre-approval.

- (a) Upon receipt of their Preliminary Certificate of Assistance the household shall select a Participating Lender and present their Preliminary Certificate of Assistance to apply for their mortgage pre-approval.
- (b) The household shall be allowed sixty (60) days after completion of the home ownership counseling to obtain mortgage pre-approval. An extension may be granted depending on the circumstances and/or where the household is in the pre-approval process.
- (c) The mortgage pre-approval letter shall reflect the HCV/HOAP Assistance payment and the household's contribution as detailed on the Certificate of Assistance.
- (d) Families shall submit their mortgage pre-approval letter to the HCV/HOAP or its designee within ten (10) days of receipt.

9205.7 Home Search Authorization

- (a) Subsequent to receipt of a mortgage pre-approval letter from a Participating Lender, HCV/HOAP shall issue the Applicant Family written authorization to begin their search for a home that is eligible under the provisions of Section 9207, hereof.
- (b) The Applicant Family shall be responsible for selecting a lender participating in the HCV/HOAP, as well as an independent professional housing inspector and a real estate agent.
- (c) The HCV/HOAP and the Counseling Agency may maintain information about properties for sale, participating lenders, real estate agents, and down-payment programs, which the household may choose to use at their discretion.

9205.8 Home Search Time Limits and Extensions.

- (a) From the date of issuance of a Home Search Authorization, the household shall be allowed a total time period of one hundred and eighty (180) days to:
 - (1) Search for and find a home;
 - (2) Execute a contract of sale, including the HCV/HOAP contract addendum as required under Section 9209;
 - (3) Submit the sales contract to HCV/HOAP for review;
 - (4) Obtain a firm loan commitment;
 - (5) Obtain a HQS inspection from HCV;
 - (6) Submit a Professional Inspection Report to HOAP, as provided under Section 9209;
 - (7) Obtain HOAP Notice of Inspection Approval, as provided under Section 9208;
 - (8) Obtain a Final Certificate of Assistance from HCV/HOAP;
 - (9) Sign all required HCV/HOAP forms and attachments, including:
 - (i) Statement of Homeownership Obligations, required under Section 9215 hereof;
 - (ii) A Recapture Agreement and Subordinate Mortgage, as required under Section 9214 hereof;
 - (10) Close on the purchase of the property and the mortgage loan;
 - (11) Notify HCV/HOAP that the Loan Closed and the first mortgage payment date for HOAP subsidy payments.
- (b) Extenuating circumstances which prohibited closing on the purchase of a home within the designated time period shall be reviewed upon request, and an extension granted, at the discretion of the DCHA.
- (c) An Applicant Family shall be withdrawn from the HCV/HOAP and required to wait one year before they shall be allowed to participate again under any of the following circumstances:
 - (1) The household has executed a contract of sale and has failed to

complete the purchase for reasons within their control;

- (2) The household at any time during the one hundred eighty (180) day period decides to withdraw from participation in the HCV/HOAP;
- (3) The household is unable to locate a home to purchase and close on the purchase within the time provided, and does not want or qualify for an extension of time to continue the process.

9206. Purchase Agreement Requirements

9206.1 A household shall execute a purchase agreement with the owner of the property to be purchased, except, in the case of a cooperative member with existing cooperatives shares.

9206.2 The sales contract, or an addendum, thereto, shall include provisions making the sale contingent, and the household having no obligation to complete the purchase, unless there is satisfaction of the following minimum conditions:

- (a) An HQS inspection of the property with such inspection being satisfactory to HCV/HOAP;
- (b) An inspection of the home by a licensed professional home inspector, obtained at the expense of the purchaser, with such inspection being satisfactory to HCV/HOAP;
- (c) The purchaser is not obligated to pay for any necessary repairs without HCV/HOAP approval
- (d) Any repairs made by the seller shall be completed and a satisfactory HQS re-inspection completed before the purchase process continues.
- (e) Purchase terms, inspection reports and mortgage financing terms acceptable to HCV/HOAP or its designee.
- (f) A seller certification that the seller is not debarred, suspended or subject to limited denial or participation, under 24 CFR part 24.
- (g) All good faith money provided shall be returned in full if the purchase is not approved by HCV/HOAP.

9207 HOMES AND PERMITTED OWNERSHIP ARRANGEMENTS

9207.1 Permitted types of homes for purchase with a HOAP subsidy under the HCV/HOAP, provided the home purchased is located in the District of Columbia.

- (a) Single family home,
- (b) Townhome;
- (c) Condominium;
- (d) Cooperative.

9207.2 Types of housing not approved for HOAP subsidy under the HCV/HOAP:

- (a) Multi-unit buildings or homes with one or more rental units;
- (b) Congregate Housing;
- (c) Group Homes;
- (d) Shared Housing;
- (e) Cooperative Housing that exclude families with children;
- (f) Manufactured Homes;
- (g) Single Room Occupancy Units' and
- (h) A home located outside of the District of Columbia.

9207.3 The construction status at the time of issuance of the Certificate of Assistance, may be any of the following:

- (a) Under construction (provided construction is complete upon closing the loan and commencement of the HOAP assistance);
- (b) New construction ready for occupancy; or
- (c) Existing housing, with no age limitations.

**9208 REVIEW OF PURCHASE CONTRACT AND ISSUANCE OF FINAL
CERTIFICATE OF ASSISTANCE**

9208.1 Once the Applicant Family has found a home and executed a purchase agreement, the household shall provide the HCV/HOAP or designee with the following required documents for review and/or approval:

- (a) Verification of funds for the 3% initial down-payment;

- (b) The executed purchase agreement or contract of sale;
- (c) The professional home inspection report.

9208.2 Based on the purchase amount identified in the purchase agreement and the loan terms of the mortgage pre-approval submitted by the Applicant Family, the HCV/HOAP shall determine the amount of the HOAP Subsidy and the Total Tenant Payment, taking into account:

- (a) The family composition;
- (b) The bedroom size of the home;
- (c) The applicable Payment Standard;
- (d) The Family Income as determined on the last annual recertification;
- (e) The estimated homeownership expenses, taking into account the projected mortgage payment, insurance and taxes, and homeownership expenses, calculated in accordance with Subsection 9212.2, hereof.

9208.3 HCV/HOAP shall review the seller against the debarment and suspension lists provided by HUD and disapprove the contract if the seller appears on such lists..

9208.4 HCV/HOAP shall issue a Notice of Approval or Disapproval of Inspection under the provisions in Section 9209, below.

9208.5 Unless the purchase contract is disapproved or the Inspection is for Disapproval, the HCV/HOAP shall issue a Final Certificate of Assistance, which the Applicant Family shall submit to their Participating Lender in applying for a mortgage loan.

9209 HOME INSPECTION

9209.1 Before issuance of a Final Certificate of Assistance, the Applicant Family shall schedule two kinds of physical inspections required in the HCV/HOAP.

- (a) A Housing Quality Standard (HQS) inspection conducted by the HCV/HOAP.
 - (1) The HQS inspection does not include an assessment of the adequacy and life span of the major building components, building systems, appliances or other structural components.
 - (2) However, the HQS inspection shall indicate the current physical condition of the home and any repairs necessary to ensure that the home is safe and otherwise habitable.

- (b) An independent professional home inspection by an inspector who is certified, licensed, and bonded and is neither an employee, nor a contractor of DCHA.
 - (1) The inspection shall be a comprehensive evaluation of the major building components and systems of the home, determining the existing condition and the need, if any, for repairs.
 - (2) At least the following shall be examined for deficiencies:
 - (i) the structure;
 - (ii) basement/crawl space(s);
 - (iii) electrical and heating/cooling systems;
 - (iv) energy/insulation;
 - (v) ventilation;
 - (vi) kitchen appliances;
 - (vii) plumbing;
 - (viii) walls/ceiling;
 - (ix) floors;
 - (x) roof/attic;
 - (xi) exterior finish;
 - (xii) fireplace/chimney;
 - (xiii) windows/doors; and
 - (xiv) gutters/drainage.

9209.2 Request and payment for professional home inspection.

- (a) The independent professional home inspection shall be requested and paid for by the household.
- (b) A copy of the inspection report shall be provided to HCV/HOAP within five (5) working days of receipt of the report.
- (c) The source(s) of funds for payment of the professional home inspection may

be a source other than household personal income.

9209.3 HCV/HOAP Review of Inspection Reports.

- (a) The HCV/HOAP shall review the professional inspection report and the HQS report to determine whether repairs are necessary prior to purchase and to generally assess whether the purchase transaction makes sense in light of the overall condition of the home and the likely cost of repairs.
- (b) Notice of Inspection Approval.
 - (1) No deficiencies. If the HQS inspection report and the professional inspection report reveal that the home meets satisfactory standards and there are no deficiencies, the program shall provide a notice of inspection approval.
 - (2) Contingent Approval for Minor Repairs. If the inspection reports indicate the need for repairs that can be corrected in a time period that compliments the purchaser's time table, the program shall provide the household with a notice of inspection approval, subject to the completion of repairs at the seller's expense, and a satisfactory follow up inspection by HQS or the professional inspector.
- (c) Options if Major Repairs Required. If the HQS inspection report and/or the report from the professional inspector reveals major defects in and/or repairs to the home, the HCV/HOAP shall either issue a Contingent Disapproval or a Notice of Disapproval.
- (d) Contingent Disapproval.
 - (1) If HCV/HOAP considers the major repairs to be feasible, the HCV/HOAP shall outline those defects/repairs noted in the inspection report that shall be corrected by the Seller, at Seller's expense, prior to purchase and stipulate the specific time frame by which they shall be corrected.
 - (2) Re-inspection shall be required upon completion of the repairs. The HCV/HOAP shall complete a follow-up HQS inspection. The Applicant Family shall be required to obtain a follow up inspection from the professional inspector to review the corrections, with any additional fee to be paid by the Family.
 - (3) HCV/HOAP shall receive a copy of the follow-up home inspection report from the professional inspector.
 - (4) The home inspection report shall be acceptable to HCV/HOAP before

approval to continue shall be granted.

(e) Notice of Disapproval.

- (1) If HCV/HOAP determines that the home is not suitable for HOAP Subsidy because of the major physical problems and/or the cost of the subsequent repairs HCV/HOAP shall issue a written Notice of Disapproval. The notice shall state the reason(s) for the disapproval.
- (2) The notice shall direct the Seller to return all earnest money and inform the household that they shall withdraw their offer and search for another home to purchase.
- (3) The time period between the inspections and the disapproval shall not be counted against the 180 days allowed for the search and closure process under Subsection 9205.8, above.

9210 ELIGIBLE TYPES AND TERMS OF FINANCING

9210.1 Family Responsibility. The household is responsible for securing their own mortgage loan financing from a Participating Lender.

9210.2 Permitted Types of Loans: The following types of loans are acceptable:

(a) Primary fixed rate mortgage loans that are:

- (1) Insured by the FHA;
- (2) Guaranteed by VA or other governmental entity;
- (3) Insured with private mortgage insurance, if:
 - (i) The terms comply with secondary mortgage market underwriting of Fannie Mae, Freddie Mac, or the Federal Home Loan Bank; or
- (4) Obtained through any other local or federal governmental lending program.

(b) Subordinated mortgage loans, using

- (1) Local Community Development Block Grant funds; or
- (2) Other subsidized subordinate funding available in conjunction with the HCV/HOAP.

- 9210.3 Prohibited Loans. The following types of financing are considered high risk and are not approved for use:
- (a) Balloon payments;
 - (b) Adjustable rate mortgages;
 - (c) Loans to persons in addition to those listed in the household's HCV/HOAP application;
 - (d) Owner financing except as may be approved on a case by case basis; and
 - (e) Any other type of loan that may come to the attention of HCV/HOAP that demonstrates a high-risk factor, as may be determined on a case by case basis.
- 9210.4 Minimum Down Payment. The minimum down payment requirements are:
- (a) The Family shall contribute a minimum of three (3%) percent of the purchase price of the home as a down payment.
 - (b) The source of the down payment (3%) funds can include, but is not limited to, the following:
 - (1) Gifts from family members or friends;
 - (2) Loans from family members or friends;
 - (3) Loans from any governmental program secured by a subordinate lien.
- 9210.5 Delinquency Notification by Lenders. Participating lenders shall agree to notify HCV/HOAP of any mortgage payment delinquency, in order to initiate prompt intervention and to avoid serious mortgage delinquency/default.
- 9211 LOAN APPROVAL**
- 9211.1 The HCV/HOAP or its designee reserves the right to:
- (a) Determine if the financing terms secured for the mortgage are acceptable under the program; and
 - (b) Reject the terms of a loan upon determination of any of the following:
 - (1) The household income, combined with home ownership assistance is not sufficient to cover all housing costs, taking into account other expenses, such as childcare, non-reimbursed medical expenses, transportation costs, education and training expenses;

- (2) The loan or purchase contract has terms and conditions that are burdensome and/or inconsistent with the HCV/HOAP rules, requirements and objectives;
- (3) The loan is being made to include persons other than those listed in the household HCV/HOAP application;
- (4) The loan financing chosen is a non-approved type, under Subsection 9210.3, above;
- (5) The loan financing is another type that is determined to have a high risk factor at a later time.
- (6) An independent third party appraisal has not confirmed a market value for the property which is sufficient to support the actual sales price.
- (7) Closing costs and sales commissions exceed reasonable and customary fees.

9211.2 Notice of Loan Disapproval. In the event HCV/HOAP or its designee rejects a loan:

- (a) The household shall be issued a Notice of Loan Disapproval. The notice shall state the reason for the disapproval and inform the household that they shall seek another type of financing; and
- (b) The time between submission of the loan documents and the disapproval shall not be counted against the time the household has to find a home under the HCV/HOAP.

9212 SUBSIDY TERMS AND CONDITIONS

9212.1 Maximum Term of Subsidy

- (a) If the initial mortgage loan obtained to finance the purchase of the home has a term of twenty (20) years or more, The HCV/HOAP Subsidy may be paid for a maximum period of fifteen (15) years, provided the Family continues to qualify for Subsidy assistance.
- (b) If the initial mortgage loan has a term of less than twenty (20) years, the maximum term of home ownership assistance is ten (10) years.
- (c) The maximum term for the HCV/HOAP does not apply to an Elderly Family if the household qualifies as an Elderly Family at the commencement of the HCV/HOAP.

- (d) In the case of a Disabled Family, the Family is exempt from the maximum term if at any time during receipt of the assistance payments, the head of the household or any family member becomes disabled.
- (e) If during the course of the HCV/HOAP the household ceases to qualify as a Disabled or Elderly Family, the following conditions apply:
 - (1) The maximum term becomes applicable from the date the initial HOAP assistance payments commenced; and
 - (2) The Participating Family shall be provided at least six (6) months of program assistance after the maximum term becomes applicable (provided the household is other wise eligible to continue participation in the HCV/HOAP).
- (f) The maximum term applies to any member of the household who:
 - (1) Is a co-borrower for mortgage financing of the home, during any time that HCV/HOAP payments are made; or
 - (2) Is the spouse of any co-borrower in the household, during any time that HCV/HOAP payments are made.

9212.2 Amount of HOAP Subsidy Assistance.

- (a) DCHA does not establish a separate Payment Standard for assistance under the HCV/HOAP.
- (b) The HOAP Subsidy Assistance payment shall equal the lower of:
 - (1) The Payment Standard minus the Total Tenant Payment; or
 - (2) The monthly home ownership expenses as determined under Section 9208.2 above, minus the Total Tenant Payment.
- (c) The Payment Standard to be used in calculating the Total Tenant Payment may be established at one of the following points at the discretion of DCHA and may only be adjusted thereafter for factors that would increase the Payment Standard from the selected point through the end of the term of the Subsidy.
 - (1) Issuance of the Final Certificate of Assistance;
 - (2) Closing of the mortgage loan and commencement of HCV/HOAP Assistance;

- (3) The most recent regular reexamination of the household income;

9212.3

Determination of Homeownership Expenses. The amount of HOAP assistance shall be determined by HCV/HOAP after taking into consideration the following costs to the household.

- (a) For a homeownership loan, the following costs shall be considered:
- (1) Principal and interest on the initial mortgage debt or any refinanced debt;
 - (2) Any mortgage insurance premium;
 - (3) Real estate taxes on the home;
 - (4) Home owners insurance;
 - (5) An allowance for maintenance expenses, including major repairs and replacement;
 - (6) Utility allowance schedule, and
 - (7) If the home is a condominium unit, the operating charges and/or maintenance fees assessed by the condominium association.
- (b) For purchase of shares in a Cooperative the following costs shall be included:
- (1) The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;
 - (2) Principal and interest on the initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt or other mortgage debts;
 - (3) Homeowners personal insurance;
 - (4) Allowance for maintenance expenses, including major repairs and replacement;
 - (5) Utility allowance schedule; and
 - (6) Any cooperative association fees.

9212.4

Distribution of Monthly HCV/HOAP Payments.

- (a) Direct Payment to Lender or their designees. The monthly HCV/HOAP payment shall be made directly to the participating lender on behalf of the family.
- (b) Discontinuance of Payments. HOAP assistance payment shall be discontinued following a determination that a family's income has increased to a level where the family is no longer eligible to receive HCV/HOAP payments.
- (c) Eligibility Termination. At the end of a continuous period of 180 days following a valid discontinuance of HCV/HOAP assistance payments, eligibility for HCV/HOAP shall automatically terminate.
- (d) Discontinuance of Subsidy Payments - Family Moved.
 - (1) The HCV/HOAP assistance shall be paid only while the household is residing in the home. If the household moves out of the home, payment shall only be made through the end of the month the household moved out.
 - (2) The household is required to refund to the HCV/HOAP all or any portion of a payment received that is in excess of the balance required for the month the household moved out.
- (e) Continuance of Subsidy upon Death of Title Holder. Provided the home continues to be occupied by the remaining household members, upon the death of a household member who holds, in whole or in part, title to the home or ownership of cooperative membership shares for the home, HCV/HOAP may, subject to other provisions of this Chapter, continue HOAP Subsidy payments pending settlement of the decedent's estate, notwithstanding transfer of the title by operation of the law to the decedent's estate, executor or legal representative.

9213 MAINTENANCE RESERVE

- 9213.1 The purchaser shall establish and maintain a maintenance reserve at all times.
- 9213.2 This fund is for home maintenance and repairs, and should be established and increased at regular intervals to ensure the availability of funds when needed.
- 9213.3 The HCV/HOAP or the counseling designee shall make recommendations on an amount that would build a sufficient reserve over a two to three year period.
- 9213.4 The reserve amount shall be kept in a bank or financial institution that provides periodic statements.

9213.5 Purchasers who fail to establish a maintenance reserve account, which shall be verified periodically, by the HCV/HOAP or the counseling designee, shall be required to attend individual counseling sessions and instructed to establish one.

9214 RECAPTURE OF ASSISTANCE

9214.1 Recapture Provision.

- (a) The HCV/HOAP shall recapture a percentage of the homeownership proceeds provided to the Family upon the sale of the home, unless the proceeds are invested in the purchase of another home under the HCV/HOAP program.
- (b) The HCV/HOAP shall recapture a percentage of any proceeds realized upon refinancing that are retained by the household (example during a "cash-out" of the refinanced debt).

9214.2 Recapture Amount.

- (a) In the case of the sale of the home, the recapture amount shall be, subject to paragraph (c) below, in the amount equaling the lesser of the following:
 - (1) The amount the HCV/HOAP provided to the household, adjusted to reflect the automatic reduction provided in paragraph (c) below; and
 - (2) The difference between the sales price and the purchase price of the home minus:
 - (i) The cost of any documented capital expenditures; and
 - (ii) The cost incurred by the household in the sale of the home, such as brokerage fees or repair and fix-up costs; and
 - (iii) The amount of the difference between the sales price and purchase price that is being used upon sale, toward the purchase of a new home under HCV/HOAP; and
 - (iv) Any amounts previously recaptured.
- (b) In the case of a refinancing of the home, the recapture shall be, subject to paragraph (c) below, in an amount equaling the lesser of the following:
 - (1) The amount the HCV/HOAP provided to the household, adjusted to reflect the automatic reduction provided in paragraph (c) below; or
 - (2) The difference between the current mortgage debt and the new mortgage debt; minus:

- (i) The cost of any documented capital expenditures; and
 - (ii) The cost incurred by the household in the refinancing of the home, such as reasonable and customary closing costs; and
 - (iii) Any amounts previously recaptured.
- (c) Reduction of Recapture Amount. The amount of the recapture shall be reduced in increments of ten percent (10%) for each full year of receipt of HCV/HOAP subsidies with no recapture required after the end of the 10th year of participation.

9214.3 Recapture Agreement and Mortgage Lien.

- (a) At the time of purchase, the household shall execute a Recapture Agreement and Mortgage document which obligates the household to repay a portion of the Subsidy under certain circumstances, and secures the HCV/HOAP right to recapture the HOAP Subsidy.
- (b) Subordinate Lien. The lien securing the recapture may be subordinated to the mortgage lien of the primary loan and other subordinate liens securing repayment of down-payment assistance.

9215. HOME OWNER OBLIGATIONS AND CONTINUED ASSISTANCE REQUIREMENTS

9215.1 HQS inspections shall be conducted annually as long as the Participant remains in the program and continues to receive assistance. The Participating Family is required to make any repairs necessary to meet the HQS.

9215.2 The Participating Family shall execute a Statement of Home Ownership Obligation whereby they contractually agree to comply on a continuing basis with the obligations, rules and requirements of the HCV/HOAP which cover the following areas:

- (a) Ongoing counseling.
- (b) Compliance with mortgage terms and conditions;
- (c) Prohibition against conveyance or transfer of home.
- (d) Supplying Required Information.
- (e) Notice of move-out.

- (f) Notice of mortgage default.
- (g) Prohibition of an ownership interest on second residence.
- (h) Notice of additional grounds for termination of assistance.

9215.3 Post Closing Housing Counseling.

- (a) The household shall commit to and follow through with participation in Post Settlement home ownership and housing counseling program sessions for three (3) years following settlement.
- (b) This requirement continues even in the event the household moves with continued assistance under HCV/HOAP.

9215.4 Compliance with Loan Terms. The household shall comply with the terms of the mortgage securing debt incurred to purchase the home and any refinancing of such debt.

9215.5 Pre-approval for any change in financing. The household shall obtain written approval from HCV/HOAP or its designee before securing any refinancing of the primary loan, subordinate equity loan or line of credit.

9215.6 No other Residential Ownership. During the time the household receives home ownership assistance, no household member may have any ownership interest in any other residential property.

9215.7 Sale or other Conveyance.

- (a) Prior Approval Required. So long as the household is receiving HOAP Subsidy payment from the HCV/HOAP they may not sell, convey or transfer any interest in the home to any entity or person without prior approval of HCV/HOAP, except in conformance with the provisions of (b) and (c) of this Subsection.
- (b) Conveyance to another household member. If the household chooses to convey the home, or their interest in the home to another household member, even if by operation of law upon divorce, they shall:
 - (1) Inform HCV/HOAP of their intent prior to the conveyance or sale,
 - (2) Receive written consent from the HCV/HOAP before commencing with any such sale or transfer of interest,
 - (3) The household member shall have a voucher and continued eligibility for participation in the HCV/HOAP, if HOAP Subsidy is to continue.

- (4) Provide the HCV/HOAP with copies of applicable documentation related to any sale, refinancing or transfer.
 - (5) Provide information and documentation on request of any mortgage or other debt incurred to purchase the home and any refinancing of such debt (including information needed to determine whether the household has defaulted on the debt, and the nature of any such default).
 - (6) Provide supportive information on how the existing debt, mortgage or financial obligation shall be paid (in installments or in total).
- (c) Upon the death of a household member who holds, in whole or in part, title to the home or ownership of cooperative membership shares for the home,
- (1) The household is required to inform the HCV/HOAP of the decedent's death within thirty (30) days of its occurrence.
 - (2) HCV/HOAP may continue HOAP Subsidy payments, pending settlement of the decedent's estate, notwithstanding transfer of the title by operation of the law to the decedent's executor or legal representative,
 - (3) Provided the home is solely occupied by the remaining household members.

9215.8

Required Notices to HCV/HOAP. Participating Families are required to inform HCV/HOAP of certain types of information on a regular or interim basis as follows:

- (a) Change in Expenses: Inform HCV/HOAP within 72 hours, of any change in the household ownership expenses or ability to pay household expenses that shall affect the household's ability to financially handle the change in expense and the monthly mortgage obligations.
- (b) Annual Recertification. The household shall participate fully in the annual recertification process by providing all required documentation, including verification that the mortgage, insurance, utility payments and other home ownership expenses are current.
- (c) Notice of move - with or without resale of home.
 - (1) The household shall notify the HCV/HOAP of their intent to move out of the home by supplying a written ninety (90)-day notice.
 - (2) The household shall notify the HCV/HOAP in advance if any

household member who owns, in whole or in part, any ownership interest in the home moves out.

- (d) Notice of Mortgage Default. The household shall notify the HCV/HOAP if the household defaults on the mortgage securing any debt incurred to purchase the home within seventy-two (72) hours of receiving the letter of delinquency.
- (e) Change in Income or Family Composition. The household shall inform the HCV/HOAP and their housing program specialist of any change in the source and/or amount of household income and any change in the household composition within thirty (30) days of the change. A change in household composition shall not be cause of a reduction in the Payment Standard, but may be used to increase the Payment Standard.

9215.9 Relocation

- (a) Limitation on relocation. The household is prohibited from purchasing a new home more than once in a twelve (12) month period
- (b) Counseling Requirement after relocation. The household shall be required to participate in pre and/or post counseling sessions prior to moving to another home purchased under this program, if more than three years have passed since the household initially entered the HCV/HOAP and/or if significant changes to the regulations have occurred that might affect the household's continued eligibility.

9215.10 No rental. The household shall not rent any portion of the property.

9215.11 No Criminal Activity.

- (a) No household member may commit fraud, bribery or any other corrupt or criminal act in connection with the HCV/HOAP.
- (b) No household member may participate in, be charged with or be convicted of illegal drug or violent criminal activity while connected with the HCV/HOAP.

9215.12 Additional Counseling. HCV/HOAP reserves the right to require additional counseling for a household during their participation in the program.

9216 COOPERATIVE MEMBERS

9216.1 The HCV/HOAP subsidy may be provided to a household who is a member of a Cooperative and who owns or is acquiring membership shares in the Cooperative.

9216.2 HCV/HOAP shall provide an HQS inspection prior to commencement of HOAP Subsidy assistance. If the unit fails inspection, the HCV/HOAP shall employ its

standard inspection follow up procedures. A cooperative member is exempt from the requirement to obtain professional home inspection.

9216.3 The HCV/HOAP shall make Subsidy payments directly to the cooperative on behalf of the cooperative member.

9216.4 The cooperative household or the cooperative member(s) is not required to maintain continued affordability after transfer of the member interest.

9216.5 All other requirements, policies and procedures of the HCV/HOAP shall apply to cooperative members. Members are required to meet basic minimum eligibility requirements and adhere to all other HCV/HOAP requirements.

9216.6 In the HCV/HOAP Subsidy assistance is paid on behalf of a cooperative member, but there is no requirement that the cooperative enter into any agreement or any direct relationship with the HCV/HOAP. The cooperative shall not be required to modify any ordinary requirement for cooperative membership or occupancy nor any requirement concerning assessment or collection of the cooperative carrying charge, maintenance fees for the unit or sanctions for the violation of cooperative requirements.

9217 LEASE-PURCHASE AGREEMENTS

9217.1 The HCV/HOAP may be provided to a household that rents a home with an option to buy the home under a lease-purchase agreement. In most cases, the monthly rent includes an amount referred to as a homeownership premium, which is an increment of value attributed the lease-purchase right or agreement such as an extra monthly payment to accumulate a down-payment or reduce the purchase price.

9217.2 If a household who holds a housing choice voucher, or is currently receiving rental assistance under the housing choice voucher assistance program would like to enter into a lease-purchase agreement with the property owner, the household may do so. However, the household shall not be subject to the HCV/HOAP regulatory requirements until the household is ready to exercise the home purchase option. At that time, the HCV/HOAP shall determine if the household is eligible for participation.

9217.3 Lease-purchase agreements are considered rental agreements and all the normal tenant-based HCVP rules are applicable. Therefore, the HCV/HOAP shall not make a housing assistance payment for a lease-purchase unit that may exceed the amount that would be paid on behalf of the household, if the rental unit were not subject to a lease-purchase agreement.

9217.4 The household shall absorb any homeownership premium or extra monthly payment towards a down payment related to the lease-purchase agreement. Families are permitted to pay any extra amount out of pocket to the owner for purchase-related

expenses. Therefore, when HCV/HOAP determines whether or not the rent on a lease-purchase agreement is reasonable, any homeowner premium is excluded.

- 9217.5 The household shall meet all of the initial HCV/HOAP eligibility requirement before being approved to enter the HCV/HOAP program. Therefore, if the household purchases or takes title to a home before being approved by the HCV/HOAP program, the household shall be determined ineligible for HOAP Subsidy.
- 9217.6 When a household has leased a unit under a lease-purchase agreement that is approved for participation in the HCV/HOAP, at the time the Applicant Family chooses to exercise the purchase option, the household shall complete the following:
- (a) Meet all initial and continued annual eligibility requirements for participation in the HCV/HOAP;
 - (b) Complete the homeownership and housing counseling sessions;
 - (c) Secure mortgage financing and obtain approval of the finance terms by HCV/HOAP or its designee; and
 - (d) Arrange for an independent professional home inspection and provide the HCV/HOAP with a copy of the inspection report;
 - (e) Ensure that all required purchase process steps are satisfied within the allotted time;
- 9217.7 Upon approval to enter into the HCV/HOAP, the lease-purchase household shall be processed pursuant to the established HCV/HOAP procedures outlined in this Chapter.

9218 MOVING WITH CONTINUED HCV/HOAP ASSISTANCE

- 9218.1 Minimum Requirements.
- (a) If a household chooses to move to another home and wishes to have continued assistance from the HCV/HOAP, they shall again meet the statutory employment and minimum income requirements.
 - (b) If a household cannot meet the statutory employment and minimum income requirements, the household shall be denied permission to move with continued HCV/HOAP assistance.
- 9218.2 Denial of Continued Assistance. The HCV/HOAP may exercise the right to deny a household continued homeownership assistance when it relocates for one or more of the following reasons:

- (a) Lack of funding. The HCV/HOAP may deny permission to move with continued voucher assistance if the program does not have sufficient funding to provide continued assistance;
- (b) Non-compliance. If a household has not met the requirement of the program or their home owner obligations as outlined in the HCV/HOAP, Statement of Home Owner Obligations;
- (c) Fraud. If the household has committed fraud in connection with the DCHA, HCV/HOAP or any other PHA, federal or state assisted program.
- (d) Mortgage default. If the household has defaulted on their mortgage, they shall not be able to continue to receive HCV homeownership assistance.

9219 TRANSFERS FROM HOMEOWNERSHIP TO RENTAL ASSISTANCE

9219.1 Criteria for a Transfer. At DCHA's discretion, a household may be allowed to switch back from the HCV/HOAP to rental assistance under the Housing Choice Voucher Program, if the household meets the following criteria:

- (a) The Participant Family has not defaulted on a mortgage loan while participating in the DCHA HCV/HOAP;
- (b) The Participant Family has met all of its obligations while participating in the HCV/HOAP; and
- (c) The Participant Family sells the home and thereafter vacates the home; or
- (d) The household conveys the title to the home to HUD, an approved designee or representative of the lender, or to DCHA. The household shall sign a Conveyance Acknowledgment Notice, indicating the requirement to completely transfer and convey the property, and such notice shall be acceptable to the mortgage lender.

9219.2 Approval of Rental Voucher. If the household is approved for transfer from the HCV/HOAP, the Housing Choice Voucher Program shall issue the household a rental voucher and the household shall complete the normal voucher rental unit search process. During the period the household is searching for a rental unit, if no mortgage default has occurred and all other program requirements have been satisfied, the HCV/HOAP shall continue to provide the household with home ownership subsidy.

9219.3 Termination of all Assistance. If the household fails to transfer or convey the property as provided hereinabove, resulting in foreclosure of the property, the HCV/HOAP payment shall be terminated and the HCVP shall not provide the household with rental assistance. If a rental assistance lease has commenced, the Housing Choice Voucher Program shall terminate both the household's Housing Choice Voucher and

the rental assistance payment.

- 9219.4 No concurrent assistance. A household member who owns an interest in the home cannot receive both HCV/HOAP and rental assistance concurrently, except as provided in 9219.2 above.

9220 DCHA DENIAL OF PARTICIPATION IN THE HCV/HOAP

- 9220.1 DCHA reserves the right to deny home ownership assistance for the household for the following reasons:

- (a) The household does not meet the minimum employment and income requirements;
- (b) The household has defaulted on a mortgage loan in connection with the DCHA, HCV/HOAP;
- (c) The household has not complied with the requirements of the HCVP, and/or has failed to maintain the household obligations as required;
- (d) The household has committed fraud in connection with the HCVP; or
- (e) The household has any outstanding debt with DCHA or another Public Housing Authority.

9221 TERMINATION OF PARTICIPATION IN THE HCV/HOAP

- 9221.1 Home ownership subsidy for a household terminates automatically after the last housing assistance payment on behalf of the household.

- 9221.2 The HCV/HOAP may terminate a Participating Family's HOAP Subsidy for one or more of the following reasons:

- (a) The family has defaulted on a mortgage loan while participating in the DCHA HCV/HOAP;
- (b) The family has not complied with the requirements of the HCV/HOAP, and has failed to maintain the Home Owner Obligations as required under Section 9215, above;
- (c) The family has committed fraud in connection with the HCV/HOAP and/or the FSS program or HCV/HOAP;
- (d) The household moves from the home without prior consent of the HCV/HOAP;

- (e) The family has requested to be withdrawn from the HCV/HOAP;
- (f) The family moves outside of the jurisdiction of the HCV/HOAP;
- (g) A family member engages in violent or criminal activity or uses the home for illegal purposes;
- (h) The family fails to adhere to the post-closing housing counseling requirement, without approval from the HCV/HOAP; or
- (i) The household income is less than the amount required under the provisions of 9203.2(c) above for more than 12 months.

9221.3 If the HCV/HOAP proposes to terminate assistance payments to the household, the household has the right to request an Informal Hearing under Chapter 89 to appeal the decision to terminate.

9222 STATEMENT OF NON DISCRIMINATION

9222.1 DCHA shall administer and operate the HCV/HOAP without regard to race, religion, color, creed, sex, sexual orientation, household status, national origin, age, marital status, personal appearance, household responsibilities, matriculation, political affiliation, disability, source of income, or place of residence or business. Reasonable accommodations shall be afforded to any person with disabilities that would otherwise qualify for the program; provided that such assistance does not cause undo financial and/or administrative burdens to the HCV/HOAP.

9222.2 DCHA shall administer the HCV/HOAP in accordance with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and Section 504 of the Rehabilitation Act of 1973.

9222.3 To ensure that families with disabilities are afforded reasonable accommodations, the HCV/HOAP shall utilize partnerships with community based organizations serving these populations for home buyer counseling and/or other related services when applicable.

9223 WAIVER

The Executive Director of DCHA may waive any provision of the governing regulations under this Chapter 92 that is not otherwise restricted in law, provided such waiver is in writing and sets forth the reasons why the waiver is in the best interests of the program.